

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Competitive Product Prices
Priority Mail & First-Class Package Service
Priority Mail & First-Class Package Service Contract 85

Docket No. MC2018-196

Competitive Product Prices
Priority Mail & First-Class Package Service
Contract 85 (MC2018-196)
Negotiated Service Agreement

Docket No. CP2018-274

PUBLIC REPRESENTATIVE COMMENTS ON
THE UNITED STATES POSTAL SERVICE REQUEST TO ADD
PRIORITY MAIL & FIRST-CLASS PACKAGE SERVICE
CONTRACT 85 TO THE COMPETITIVE PRODUCT LIST

(August 1, 2018)

The Commission established the above referenced docket to receive comments from interested persons, including the undersigned Public Representative, on a Postal Service Request to add Priority Mail & First-Class Package Service Contract 85 to the competitive product list.¹ The Postal Service's Request includes a Statement of Supporting Justification, a certification of compliance with 39 U.S.C. § 3633(a), and a copy of Governor's Decision No. 11-6. In addition, the Postal Service filed a public version of the contract related to the proposed new product. The contract was also filed in its entirety as a non-public document, along with required financial data.

The Postal Service states that Priority Mail & First-Class Package Service Contract 85 is a competitive product "not of general applicability within the meaning of 39 U.S.C. § 3632(b)(3)." *Request* at 1. The Postal Service also maintains that the prices and classification underlying the instant contract are supported by Governors' Decision No. 11-6.²

¹ United States Postal Service Request to Add Priority Mail & First-Class Package Service Contract 85 to the Competitive Product List and Notice of Filing (Under Seal) of Unredacted Governors' Decision, Contract, and Supporting Data, July 27, 2018 (Request).

² Decision of the Governors of the United States Postal Service on Establishment of Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International

The effective date of the instant contract is 2 business days following the day on which the Commission issues all necessary regulatory approvals. *Attachment B* at 6. The contract is scheduled to expire 3 years from the effective date unless either party terminates the contract on 30 days' prior written notification. *Id* at 6.

COMMENTS

The Public Representative has reviewed the contract, the Statement of Supporting Justification, and financial model filed under seal that accompanies the Postal Service's Request. Based upon the complete review, the Public Representative concludes that Priority Mail & First-Class Package Service Contract 85 should be added to the competitive product list. In addition, it appears that the instant contract should generate sufficient revenues to cover costs and thereby satisfy the standards of 39 U.S.C. § 3633(a).

The Public Representative respectfully submits the foregoing comments for the Commission's consideration.

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